

2018

CERTIFICATE
To the Clerk of Neosho County, State of Kansas
We, the undersigned, officers of

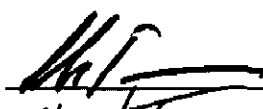
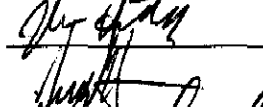
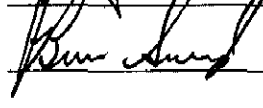
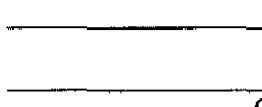
City of Galesburg

certify that: (1) the hearing mentioned in the attached publication was held;
(2) after the Budget Hearing this budget was duly approved and adopted as the
maximum expenditure for the various funds for the year 2018; and
(3) the Amount(s) of 2017 Ad Valorem Tax are within statutory limitations.

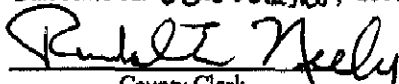
| | | 2018 Adopted Budget | | |
|--|---------------|--------------------------------------|----------------------------------|---|
| | | Budget Authority for Expenditures | Amount of 2017 Ad Valorem Tax | County Clerk's Use Only |
| Table of Contents: | | Page No. | | |
| Computation to Determine Limit for 2018 | | 2 | | |
| Allocation of MVT, RVT, and 16/20M Veh Tax | | 3 | | |
| Schedule of Transfers | | 4 | | |
| Statement of Indebtedness | | 5 | | |
| Statement of Lease-Purchases | | 6 | | |
| Computation to Determine State Library Grant | | | | |
| Fund | K.S.A. | | | |
| General | 12-101a | 7 | 85,187 | 19,994 32,177 |
| Tort Liability | 75-6110 | 8 | 14,699 | 12,835 20,650 |
| Special Highway | | 9 | 92,431 | |
| Equipment Reserve | | 9 | 37,722 | |
| Water Utility | | 10 | 117,683 | |
| Sewer Utility | | 10 | 43,097 | |
| Non-Budgeted Funds | | 11 | | |
| Totals | | xxxxxx | 390,819 | 32,829 52,833 |
| Election Required - Review HB2088 Template. | | | NO | County Clerk's Use Only |
| Budget Summary | | 12 | | 621,379 |
| Neighborhood Revitalization | | | | Nov 1, 2017 Total Assessed Valuation |

Assisted by:

Philip A. Jarred, CPA
Jarred, Gilmore & Phillips, PA
Address:
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Chanute, KS 66720
Email:
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Date Attested: October 23rd, 2017


County Clerk
See accompanying summary of significant forecast assumptions and accountants' compilation report.

Governing Body

City of Galesburg

2018

Computation to Determine Limit for 2018

| | Amount of Levy |
|---|----------------|
| 1. Total tax levy amount in 2017 budget | + \$ 31,459 |
| 2. Library levy in 2017 budget | - \$ 0 |
| 3. Tax levy excluding library | \$ 31,459 |

2017 Valuation Information for Valuation Adjustments

| | | |
|--|-------------------|--|
| 4. New improvements for 2017 : | + 18,325 | |
| 5. Increase in personal property for 2017 : | | |
| 5a. Personal property 2017 | + 10,847 | |
| 5b. Personal property 2016 | - 14,932 | |
| 5c. Increase in personal property (5a minus 5b) | + 0 | |
| | (Use Only if > 0) | |
| 6. Valuation of annexed territory for 2017 : | | |
| 6a. Real estate | + 0 | |
| 6b. State assessed | + 0 | |
| 6c. New improvements | - 0 | |
| 6d. Total adjustment (sum of 6a, 6b, and 6c) | + 0 | |
| 7. Valuation of property that has changed in use during 2017 : | + 33 | |
| 8. Total valuation adjustment (sum of 4, 5c, 6d & 7) | 18,358 | |
| 9. Total estimated valuation July 1, 2017 | 621,379 | |
| 10. Total valuation | 621,379 | |
| 11. Factor for increase (8 divided by 10) | 0.02954 | |
| 12. Amount of increase (11 times 3) | + \$ 929 | |
| 13. 2018 budget tax levy, excluding debt service, prior to CPI adjustment (3 plus 12) | \$ 32,388 | |
| 14. Library levy in this 2018 budget | 0 | |
| 15. 2018 budget tax levy, including debt service, prior to CPI adjustment (13 plus 14) | 32,388 | |
| 16. Consumer Price Index for all urban consumers for calendar year 2016 | 1.400% | |
| 17. Consumer Price Index adjustment (3 times 16) | \$ 440 | |
| 18. Maximum levy for budget year 2018, including debt service, not requiring 'notice of vote publication' or adoption of a resolution prior to adoption of the budget (15 plus 17) | \$ 32,829 | |

If the 2018 adopted budget includes a total property tax levy exceeding the dollar amount in line 18 you must, prior to adoption of such budget, adopt a resolution authorizing such levy and, subsequent to adoption of such budget, publish notice of vote by the governing body to adopt such budget in the official county newspaper and attach a copy of the published notice to this budget.

In no event will such resolution or published notice of the vote be required if the total budget year tax levy is \$1,000 or less.
See accompanying summary of significant forecast assumptions and accountants' compilation report.

2018

Adopted Budget

| | | |
|-------------------------------|------|--------|
| Delinquent Comp Rate: | 4.0% | 769 |
| Amount of 2017 Ad Valorem Tax | | 19,994 |

Page No. 7

City of Galesburg

2018

OPTIONAL DETAIL PAGE FOR ANY FUND

| Adopted Budget Fund - Detail Expend | Prior Year Actual for 2016 | Current Year Estimate for 2017 | Proposed Budget Year for 2018 |
|--|-------------------------------|-----------------------------------|----------------------------------|
| Expenditures: | | | |
| General Administration | | | |
| Personal Services | 9,681 | 10,165 | 10,674 |
| Contractual Services | 5,029 | 9,925 | 9,925 |
| Commodities | 1,372 | 1,184 | 1,200 |
| Capital Outlay | 0 | 1,075 | 1,000 |
| | | | |
| | | | |
| Total | 16,082 | 22,349 | 22,799 |
| Fire Department | | | |
| Personal Services | 0 | 0 | 0 |
| Contractual Services | 5,526 | 16,000 | 16,000 |
| Commodities | 9,842 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 |
| | | | |
| Total | 15,369 | 16,000 | 16,000 |
| Highway and Streets | | | |
| Commodities | 10,111 | 6,240 | 6,240 |
| Capital Outlay | 0 | 0 | 25,048 |
| | | | |
| | | | |
| Total | 10,111 | 6,240 | 31,288 |
| Parks & Recreation | | | |
| Contractual Services | 1,315 | 1,618 | 3,500 |
| Commodities | 106 | 0 | 1,200 |
| Capital Outlay | 0 | 0 | |
| | | | |
| Total | 1,421 | 1,618 | 4,700 |
| Sanitation | | | |
| Contractual Services | 10,285 | 10,200 | 10,400 |
| | | | |
| | | | |
| | | | |
| Total | 10,285 | 10,200 | 10,400 |
| | | | |
| | | | |
| | | | |
| Total | 0 | 0 | 0 |
| | | | |
| | | | |
| | | | |
| Total | 0 | 0 | 0 |
| | | | |
| | | | |
| | | | |
| Total | 0 | 0 | 0 |
| Page Total | 53,268 | 56,407 | 85,187 |

See accompanying summary of significant forecast assumptions and accountants' compilation report.

City of Galesburg

2018

FUND PAGE FOR FUNDS WITH A TAX LEVY

| Adopted Budget | Prior Year | Current Year | Proposed Budget |
|--|-------------------------------|------------------------------------|------------------|
| Tort Liability | Actual for 2016 | Estimate for 2017 | Year for 2018 |
| Unencumbered Cash Balance Jan 1 | 1,384 | -1,142 | 0 |
| Receipts: | | | |
| Ad Valorem Tax | 7,167 | 12,284 | xxxxxxxxxxxxxxxx |
| Delinquent Tax | 167 | 212 | 494 |
| Motor Vehicle Tax | 767 | 1,090 | 1,777 |
| Recreational Vehicle Tax | 14 | 28 | 41 |
| 16/20M Vehicle Tax | 0 | 7 | 6 |
| Commercial Vehicle Tax | 14 | 19 | 30 |
| Watercraft Tax | 3 | 0 | 10 |
| | | | |
| | | | |
| Interest on Idle Funds | 0 | 0 | 0 |
| Neighborhood Revitalization Rebate | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Rec | | | |
| Total Receipts | 8,133 | 13,640 | 2,358 |
| Resources Available: | 9,517 | 12,498 | 2,358 |
| Expenditures: | | | |
| Contractual Services | 10,659 | 12,498 | 14,699 |
| | | | |
| | | | |
| | | | |
| Cash Forward (2018 column) | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Exp | | | |
| Total Expenditures | 10,659 | 12,498 | 14,699 |
| Unencumbered Cash Balance Dec 31 | -1,142 | 0 | xxxxxxxxxxxxxxxx |
| 2016/2017/2018 Budget Authority Amount: | 10,436 | 13,640 | 14,699 |
| | | Non-Appropriated Balance | |
| See Tab A | | Total Expenditure/Non-Appr Balance | 14,699 |
| See Tab B | | Tax Required | 12,341 |
| | Delinquent Comp Rate: | 4.0% | 494 |
| | Amount of 2017 Ad Valorem Tax | | 12,835 |

Adopted Budget:

| Adopted Budget | Prior Year | Current Year | Proposed Budget |
|--|-------------------------------|------------------------------------|------------------|
| | Actual for 2016 | Estimate for 2017 | Year for 2018 |
| Unencumbered Cash Balance Jan 1 | 0 | 0 | 0 |
| Receipts: | | | |
| Ad Valorem Tax | | 0 | xxxxxxxxxxxxxxxx |
| Delinquent Tax | | | |
| Motor Vehicle Tax | | | |
| Recreational Vehicle Tax | | | |
| 16/20M Vehicle Tax | | | |
| Commercial Vehicle Tax | | | |
| Watercraft Tax | | | |
| | | | |
| | | | |
| Interest on Idle Funds | | | |
| Neighborhood Revitalization Rebate | | | 0 |
| Miscellaneous | | | |
| Does miscellaneous exceed 10% of Total Rec | | | |
| Total Receipts | 0 | 0 | 0 |
| Resources Available: | 0 | 0 | 0 |
| Expenditures: | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Cash Forward (2018 column) | | | |
| Miscellaneous | | | |
| Does miscellaneous exceed 10% of Total Exp | | | |
| Total Expenditures | 0 | 0 | 0 |
| Unencumbered Cash Balance Dec 31 | 0 | 0 | xxxxxxxxxxxxxxxx |
| 2016/2017/2018 Budget Authority Amount: | 0 | 0 | 0 |
| | | Non-Appropriated Balance | |
| | | Total Expenditure/Non-Appr Balance | 0 |
| | | Tax Required | 0 |
| | Delinquent Comp Rate: | 4.0% | 0 |
| | Amount of 2017 Ad Valorem Tax | | 0 |

See accompanying summary of significant forecast assumptions and accountants' compilation report.

City of Galesburg

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

| Adopted Budget Special Highway | Prior Year Actual for 2016 | Current Year Estimate for 2017 | Proposed Budget Year for 2018 |
|--|-------------------------------|-----------------------------------|----------------------------------|
| Unencumbered Cash Balance Jan 1 | 22,684 | 25,921 | 29,181 |
| Receipts: | | | |
| State of Kansas Gas Tax | 3,237 | 3,260 | 3,250 |
| County Transfers Gas | 0 | 0 | 0 |
| Grant Proceeds | 0 | 0 | 60,000 |
| | | | |
| Interest on Idle Funds | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Rec | | | |
| Total Receipts | 3,237 | 3,260 | 63,250 |
| Resources Available: | 25,921 | 29,181 | 92,431 |
| Expenditures: | | | |
| Street Repair and Maint | | | |
| Personal Services | 0 | 0 | 0 |
| Contractual Services | 0 | 0 | 60,000 |
| Commodities | 0 | 0 | 32,431 |
| Capital Outlay | 0 | 0 | 0 |
| Cash Forward (2018 column) | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Exp | | | |
| Total Expenditures | 0 | 0 | 92,431 |
| Unencumbered Cash Balance Dec 31 | 25,921 | 29,181 | 0 |
| 2016/2017/2018 Budget Authority Amount: | 85,893 | 89,054 | 92,431 |

| Adopted Budget Equipment Reserve | Prior Year Actual for 2016 | Current Year Estimate for 2017 | Proposed Budget Year for 2018 |
|--|-------------------------------|-----------------------------------|----------------------------------|
| Unencumbered Cash Balance Jan 1 | 37,470 | 37,544 | 37,633 |
| Receipts: | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Interest on Idle Funds | 74 | 89 | 89 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Rec | | | |
| Total Receipts | 74 | 89 | 89 |
| Resources Available: | 37,544 | 37,633 | 37,722 |
| Expenditures: | | | |
| | | | |
| Capital Outlay | 0 | 0 | 37,722 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Cash Forward (2018 column) | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Exp | | | |
| Total Expenditures | 0 | 0 | 37,722 |
| Unencumbered Cash Balance Dec 31 | 37,544 | 37,633 | 0 |
| 2016/2017/2018 Budget Authority Amount: | 37,512 | 37,618 | 37,722 |

See accompanying summary of significant forecast assumptions and accountants' compilation report.

City of Galesburg

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

| Adopted Budget Water Utility | Prior Year Actual for 2016 | Current Year Estimate for 2017 | Proposed Budget Year for 2018 |
|--|-------------------------------|-----------------------------------|----------------------------------|
| Unencumbered Cash Balance Jan 1 | 46,090 | 53,680 | 57,683 |
| Receipts: | | | |
| Charges to Customers | 56,206 | 55,577 | 60,000 |
| Interest on Idle Funds | 161 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Rec | | | |
| Total Receipts | 56,368 | 55,577 | 60,000 |
| Resources Available: | 102,458 | 109,257 | 117,683 |
| Expenditures: | | | |
| Production & Purchases | 37,922 | 42,189 | 43,000 |
| Transmission and Distribution | 267 | 0 | 0 |
| Commercial & General | 1,921 | 2,180 | 2,200 |
| Capital Outlay | 1,475 | 0 | 65,278 |
| Debt Service: | | | |
| Principal | 2,128 | 2,229 | 2,321 |
| Interest | 5,064 | 4,976 | 4,884 |
| Cash Forward (2018 column) | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Exp | | | |
| Total Expenditures | 48,777 | 51,574 | 117,683 |
| Unencumbered Cash Balance Dec 31 | 53,680 | 57,683 | 0 |
| 2016/2017/2018 Budget Authority Amount: | 132,254 | 132,808 | 117,683 |

| Adopted Budget Sewer Utility | Prior Year Actual for 2016 | Current Year Estimate for 2017 | Proposed Budget Year for 2018 |
|--|-------------------------------|-----------------------------------|----------------------------------|
| Unencumbered Cash Balance Jan 1 | 23,138 | 27,625 | 32,397 |
| Receipts: | | | |
| Charges to Customers | 10,677 | 10,699 | 10,700 |
| Interest on Idle Funds | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Rec | | | |
| Total Receipts | 10,677 | 10,699 | 10,700 |
| Resources Available: | 33,815 | 38,324 | 43,097 |
| Expenditures: | | | |
| Personal Services | 1,227 | 1,227 | 1,289 |
| Contractual Services | 4,382 | 4,120 | 4,600 |
| Commodities | 580 | 580 | 1,500 |
| Capital Outlay | 0 | 0 | 35,708 |
| Cash Forward (2018 column) | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 |
| Does miscellaneous exceed 10% of Total Exp | | | |
| Total Expenditures | 6,190 | 5,927 | 43,097 |
| Unencumbered Cash Balance Dec 31 | 27,625 | 32,397 | 0 |
| 2016/2017/2018 Budget Authority Amount: | 40,966 | 38,357 | 43,097 |

See accompanying summary of significant forecast assumptions and accountants' compilation report.

NOTICE OF BUDGET HEARING

The governing body of
City of Galesburg
will meet on August 15, 2017 at 7:00 PM at Galesburg Community Center for the purpose of hearing and
answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax.
Detailed budget information is available at Galesburg Community Center and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2018 Expenditures and Amount of Current Year Estimate for 2017 Ad Valorem Tax establish the maximum limits of the 2018 budget.
Estimated Tax Rate is subject to change depending on the final assessed valuation.

| FUND | Prior Year Actual for 2016 | | Current Year Estimate for 2017 | | Proposed Budget for 2018 | | |
|--------------------|----------------------------|------------------|--------------------------------|------------------|-----------------------------------|-------------------------------|--------------------|
| | Expenditures | Actual Tax Rate* | Expenditures | Actual Tax Rate* | Budget Authority for Expenditures | Amount of 2017 Ad Valorem Tax | Estimate Tax Rate* |
| General | 53,268 | 32.432 | 56,407 | 31.345 | 85,187 | 19,994 | 32.177 |
| Tort Liability | 10,659 | 12.628 | 12,498 | 20.655 | 14,699 | 12,835 | 20.655 |
| Special Highway | | | | | 92,431 | | |
| Equipment Reserve | | | | | 37,722 | | |
| Water Utility | 48,777 | | 51,574 | | 117,683 | | |
| Sewer Utility | 6,190 | | 5,927 | | 43,097 | | |
| Non-Budgeted Funds | | | | | | | |
| Totals | 118,893 | 45.060 | 126,406 | 52.000 | 390,819 | 32,829 | 52.832 |
| Less: Transfers | 0 | | 0 | | 0 | | |
| Net Expenditure | 118,893 | | 126,406 | | 390,819 | | |
| Total Tax Levied | 27,550 | | 31,459 | | xxxxxxxxxxxxxxxxxxxx | | |
| Assessed Valuation | 611,401 | | 604,977 | | 621,379 | | |

| | | | |
|---|---------|---------|---------|
| Outstanding Indebtedness, January 1, | 2015 | 2016 | 2017 |
| G.O. Bonds | 0 | 0 | 0 |
| Revenue Bonds | 124,820 | 122,763 | 120,635 |
| Other | 0 | 0 | 0 |
| Lease Purchase Principal | 0 | 0 | 0 |
| Total | 124,820 | 122,763 | 120,635 |

*Tax rates are expressed in mills

City of Galesburg
City Official Title: City Clerk

City of Galesburg, Kansas
Summary of Significant Forecast Assumptions
For the Years Ended December 31, 2017 and 2018

This financial forecast presents, to the best of management's knowledge and belief, the City's expected summarized financial information for the forecasted periods. Accordingly, the forecast reflects management's judgement as of July 28, 2017, the date of this forecast, of the expected conditions and its expected course of action. The presentation of prospective information is for compliance with Kansas law requiring municipalities to file an annual budget with their respective county and the Kansas Department of Administration - Municipal Services office. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Forecasted Results for the Year Ending December 31, 2017

Forecasted results for the year ending December 31, 2017, were calculated by annualizing the results of operations for the period January 1, 2017, through May 31, 2017, with the following adjustments:

Property tax receipts for tax levying funds were estimated based upon a collection rate of 98.3% of the amount of taxes levied for 2017.

Receipts for motor vehicle tax, recreational vehicle tax, 16/20 M vehicle tax, commercial tax, and watercraft tax in tax levying funds were based upon estimates provided by the county during preparation of the 2017 annual budget.

State highway gas tax receipts were based upon estimates updated and provided from the League of Kansas Municipalities.

Forecasted Results for the Year Ending December 31, 2018

Forecasted results for the year ending December 31, 2018, were based upon the forecasted results of operations for the year ending December 31, 2017. With the exception of the items listed below, receipts and expense amounts from 2017 were used for 2018.

Receipts

Property tax receipts for tax levying funds were estimated based upon estimated assessed valuations provided by the county and limited, overall, to the amount calculated to be in compliance with the Kansas tax lid law.

Receipts for motor vehicle tax, recreational vehicle tax, 16/20 M vehicle tax, commercial tax, and watercraft tax in tax levying funds were based upon estimates provided by the county for preparation of the 2018 annual budget.

State highway gas tax receipts were based upon estimates updated and provided from the League Kansas of Municipalities.

Expenses

Expenses for personal services were estimated based upon a 5% increase over 2017 estimated amounts.

The City is continuing with the same amount of past transfers between funds for operations and for certain reserve funds.

STATEMENT
OF
INDEBTEDNESS
OF

City of Galesburg
Municipality Name

County of Neosho

State of Kansas, for the year ending

June 30, 2017.

_____, Clerk

of City of Galesburg
Municipality Name

Filed in my office this _____ day

of _____, 20____

County Clerk

[illegible][illegible][illegible]

STATE OF KANSAS, Neosho COUNTY, SS.
I, Carol Clevenger, City Clerk Of Said City of Galesburg
Name Title Municipality

as of June 30, 2017